

Fourteenth Loksabha

Session : 5

Date : 11-08-2005

Participants : Vaghela Shri Shanker Sinh, Panda Shri Prabodh, Chatterjee Shri Santasri, Kumar Shri Shailendra, Barman Shri Hiten, Vaghela Shri Shanker Sinh

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Title : Shri Prabodh Panda called the attention of the Minister of Textiles to the situation arising out of reported instructions issued by Government to Jute Corporation of India to stop procurement of Raw Jute in West Bengal resulting in closure of Jute mills being run by National Jute Manufacturers Corporations Ltd. (NJMC).

12.25 hrs.

CALLING ATTENTION TO MATTER OF URGENT

PUBLIC IMPORTANCE

Situation arising out of recent instructions issued by Government to Jute Corporation of India to stop procurement of raw jute in West Bengal resulting in closure of Mills and steps taken by the Government in regard thereto.

MR. SPEAKER: The House shall now take up Item No.9, Calling Attention.

Shri Mohan Singh -- Not present.

Shri Prabodh Panda.

SHRI PRABODH PANDA (MIDNAPORE): Sir, I call the attention of the Minister of Textiles to the following matter of urgent public importance and I request that he may make a statement thereon:

“Situation arising out of recent instructions issued by the Government to the Jute Corporation of India to stop procurement of raw jute in West Bengal resulting in closure of jute mills being run by NJMC, rendering thousands of people unemployed and steps taken by the Government in regard thereto.”

MR. SPEAKER: I do not know when this statement of the Minister was made available. This is a four-page statement. The procedure is that it should be submitted to the Table Office by 10:30 a.m. Was it submitted by 10:30 a.m. today? Have you got the statement?

SHRI PRABODH PANDA : We have got it, Sir.

MR. SPEAKER: Mr. Minister, in the future this procedure should be very strictly enforced.

THE MINISTER OF TEXTILES (SHRI SHANKARSINH VAGHELA): Yes, Sir. I would request that the statement may be taken as read.

MR. SPEAKER: Since the statement has been made available already, it may be treated as read.

SHRI SHANKAR SINH VAGHELA: *Sir, at the outset I would like to mention that the Government has never issued any instructions to Jute Corporation of India Ltd. (JCI) to stop the procurement of raw jute in West Bengal. As a matter of fact, the JCI is the nodal agency of the Central Government to conduct Minimum Support Prices (MSP) operation for raw jute. The Government has mandated the JCI to procure raw jute under MSP operations without any quantitative restrictions, whenever the market prices of raw jute touches the declared MSP.

The Jute Corporation of India Ltd. (JCI) was set up in April, 1971 primarily to protect the interests of the jute growers through procurement of raw jute at minimum support price fixed by the Government of India from time to time and also to stabilize the raw jute market for the benefit of the jute economy as a whole. In order to make the JCI financially viable to conduct MSP operation, the Central Government provides budgetary support to the JCI to compensate its losses in MSP operations. In addition, the Government also provides a Bank Guarantee to JCI to borrow adequate amount from the Financial Institutions to enable it to enter the market from the beginning of the season. The Jute Corporation of India undertakes awareness campaign and also purchase of raw jute through its 171 procurement centres. In addition, the State level Apex Cooperative Societies and village level cooperative societies also undertake MSP operation in association with the JCI.

The Central Government announces the MSP for raw jute every year. There has been a constant increase in the MSP of raw jute over the last couple of years. The MSP for raw jute (TD-5 Grade) was declared by the Government in March, 2005 i.e. well in advance before the beginning of the current Jute season. The JCI has been instructed well in advance to intervene in the market to conduct the MSP operation. The Government has given a guarantee to the tune of Rs. 33 crore to the JCI to enable it to borrow nearly Rs.100 crore from the Financial Institutions/Banks. The Government has released Rs.20.50 crore as ad-hoc compensation against the likely losses of JCI during the current season. The Government has made a budget provision of Rs.30 crore during the Financial year.

The JCI has opened 101 procurement centres in the State of West Bengal during the current jute season. As the current season started, the market prices of raw jute were prevailing higher than the MSP. Hence, the JCI could not procure any quantity of raw jute under MSP. However, in order to provide relief to the jute growers, the JCI preferred to do commercial operation and it has procured 2407 Quintals of raw jute till 8.8.2005. All

these procurements have taken place in various districts of West Bengal. The MSP procurement of JCI in West Bengal is merely 35 quintals as the market prices are ruling above the MSP. Hence, any apprehension regarding stoppage of the procurement of raw jute by JCI in West Bengal is unfounded.

Sir, as regards the closure of the National Jute Manufactures Corporation Ltd. (NJMC) Mills, I would like to state that the Government has not taken any decision to close down the six jute mills run by the NJMC Ltd. The Government has approved the proposal of the Ministry of Textiles on 24.03.2005 to reduce the manpower of the NJMC Ltd. by offering VRS to all the employees of the organisation, including the employees of the Head Office and to extend budgetary support to the extent of Rs.978.00 crore for providing VRS, liquidating statutory arrears, gratuity and secured liabilities of NJMC Ltd. The competent authority has approved the above proposals with the direction that, the mills at Kinnison and Khardah would be referred to the Board for Reconstruction of Public Sector Enterprises and VRS offered to their employees, and VRS will be given to employees of other mills but these will be dealt under BIFR proceedings. The revival aspects of the two mills viz., Kinnison and Khardah jute mills, have already been referred to Board for Reconstruction of Public Sector Enterprises (BRPSE).

The National Jute Manufactures Corporation Ltd., incorporated in 1980 is a Central Public Sector Undertaking in the Jute Industry. The NJMC Ltd. is incurring operating losses since its take over by the Government and was referred to the BIFR in 1993 under the provisions of the Sick Industrial Companies Act 1985 (SICA). The Ministry of Textiles has from time to time tried to restructure the organization to make it more viable. However due to inherent weakness of the Corporation in the form of bloated workforce, inefficiency in operations, obsolete machinery, etc., none of the efforts/schemes could help the Corporation to earn profit. The Corporation is unable to generate resources to pay salary, wages, statutory dues of employees and maintenance charges of the Corporation. Government of India is providing budgetary assistance for this essential maintenance expenditure of NJMC. All the six mills of NJMC have stopped production of jute goods since periods ranging from one and a half years to three years.

The Government of India has taken every care to protect the interests of the workers of the Corporation. During the current financial year the Government has provided a budgetary allocation of Rs. 128 crores for payment of salary, wages and other maintenance dues. As on today, Rs 38.50 crores have been released to NJMC which will enable the Corporation to pay salary and wages till 15th July, 2005. As has been already stated, the Government will make budgetary provisions for payment of outstanding statutory dues of employees, including their retirement benefits. The workforce of the Corporation is being offered a favourable Voluntary Retirement Scheme, the best possible option available with the Government and the management of the Corporation.

SHRI PRABODH PANDA (MIDNAPORE): Sir, though the statement has been made available late, I have gone through the statement made available by the Minister.

I have come to know from the statement that the Government has never issued any instructions to the JCI to stop procurement of raw jute in West Bengal. I drew the attention of the Minister to this because this view has been published in several Dailies particularly in West Bengal. However, it is not understood from the statement as to whether any instructions have been given to the JCI, particularly in West Bengal, to undertake commercial operations.

Everybody knows, the Minister is aware of, and you know better than anybody else, Mr. Speaker, Sir, the problems of jute sector in West Bengal. After the partition of India, most of the mills remained in West Bengal and bulk of jute producing lands fell in East Pakistan now Bangladesh. Subsequently, in not less than 11 Districts of West Bengal they started jute production. The main cash crop of the jute producers is raw jute. For several years, the jute producers are deprived of the minimum support price.

The statement of the Minister says that they are also undertaking commercial operations, but the figure shows a very miserable performance of the JCI. It shows that on commercial operation only 2,407 quintals of raw jute has been procured, and on minimum support price 35 quintals have been procured. This is a sorry state of affairs. This is a very miserable performance.

So far as procurement position is concerned, in 2003-04 it was 11.22 million bales[\[KMR19\]](#).

Now, it will sell in terms of bales. The procurement for 2005-07 comes to the figure of only 20 bales. This is a very poor performance. It seems that out of 171 JCI units, as far as West Bengal is concerned, 100 JCI units have stopped procurement. The only intention of the JCI is to protect the farmers from the distress sale providing minimum support price. JCI had also undertaken the commercial operation. So, I would like to know from the hon. Minister - this has been stated in his statement - whether he has given instructions to the West Bengal JCI to ensure that they come out for commercial operation in a large scale.

So far as the MSP is concerned, it is only Rs.930 per quintal but the market price of the jute produce is above Rs.1,500 per quintal. ... (*Interruptions*)

MR. SPEAKER: Important business is being discussed.

... (*Interruptions*)

SHRI PRABODH PANDA : If the JCI is to run in that way, JCI has to purchase the raw jute from the market, from the jute producers at not less than Rs.1,500 per quintal. If the JCI fails to procure, JCI will not survive. By this time, a large section of the JCI stocks ... (*Interruptions*)

MR. SPEAKER: This is not the place for mutual discussion.

SHRI PRABODH PANDA : The substantial portion is going out of the JCI. JCI is in crisis. So, this is my request to the hon. Minister.

MR. SPEAKER: Put your question.

SHRI PRABODH PANDA : I am very grateful to him that a few years back, I think, last year before that, we had a nice meeting in the chambers of the Defence Minister. After the meeting, hon. Minister has taken some good stand. ... (*Interruptions*)

MR. SPEAKER: You need not refer to such discussions.

SHRI PRABODH PANDA : Presently, farmers are facing problem not only in West Bengal but also in almost eight jute producing States. Especially, the State Public Sector Undertakings of NJMC are facing the problem. On the one hand, it seems that it is an attempt to close down the JCI; and on the other hand, they are creating a situation, generating a situation to the jute producers so that jute producers are forced to go to the traders, and not to the JCI. So, if the Government has the intention to strengthen the JCI, then it should help JCI so that they can undertake commercial operation. This is my request. I think, the hon. Minister will address the problem. His statement has failed to understand the genuine problem. His statement is far from the ground reality and the problems faced by the jute producing States. With these words, I am making a request, and I think the Minister would reply.

MR. SPEAKER: Wait for the reply of the Minister..

SHRI SANTASRI CHATTERJEE (SERAMPORE): Mr. Speaker, Sir, before I put my question to the hon. Minister, I have got one humble submission for your consideration. Since the Calling Attentions have been clubbed together, a message might go that the NJMC mills are going to be closed down due to the jute procurement policy. That is not the case. I have a deep concern for 22,000 NJMC employees. Their future is in jeopardy. Thanks to the policy pursued by the previous NDA Government and the policy still continued by the UPA Government. I am concerned. I hope, you will share and the entire House will share my concern about these jute mills - five in West Bengal and one in Bihar[\[R20\]](#).

So, the question of revival of these six units is all the more necessary. In this consideration I want to put some clarifications.

MR. SPEAKER: You are right. NJMC issue is separate. But it is a jute matter.

SHRI SANTASRI CHATTERJEE : Firstly, Sir, I would like to know from the hon. Minister as to how much of workforce, manpower, the Government is contemplating to reduce, out of these six mills.

Secondly, whether the problem of NJMC is pending before the AAIFR, the appellate authority, and what is the approach of the Government towards revival of these NJMC mills?

Thirdly, it is reported in the Statement of the hon. Minister that the revival aspects of the two mills viz., Kinnison and Khardah jute mills situated in the district of North 24 Parganas, West Bengal have already been referred to the Board for Reconstruction of Public Sector Enterprises. So, I would humbly want to know from the hon. Minister as to why only two mills have been referred and why not all these six jute mills have been referred to the BRPSE.

Fourthly, the Cabinet has approved a Jute Policy after holding thorough discussion. In the said Jute Policy, it has been emphasised that the Government will see to rejuvenate and revive all these six mills, particularly the NJMC. The hon. Minister has replied that there is no plan to close down the entire unit. But it has been reported in the Press that the Government is going ahead with a plan to close down the entire unit. So, would the hon. Minister clarify the picture before this august House?

Lastly, in view of the good market both domestic and foreign, of jute products, whether the Government will have a new look for the revival of the entire jute industry? I also associate myself with what Mr. Prabodh Panda has said on the question of procurement of raw jute. Thank you.

MR. SPEAKER: Now, Shri Shailendra Kumar. Please put a clarificatory question only.

श्री शैलेन्द्र कुमार (चायल) : अध्यक्ष जी, माननीय सदस्य प्रबोध पांडा ने ध्यानार्कण प्रस्ताव के माध्यम से जूट से सम्बन्धित मामला सदन में उठाया है। जूट की खेती उत्तर प्रदेश में भी होती है। देश के करीब 40 लाख किसान परिवार पटसन की खेती करते हैं। जूट के कारोबार में एक करोड़ से ज्यादा लोग जुड़े हैं। दो लाख कामगार पटसन उद्योग से प्रत्यक्ष रूप से जुड़े हैं। उत्तर प्रदेश में कानपुर में एक बहुत पुरानी स्वदेशी कॉटन मिल है, जो 14 बरसों से बंद पड़ी है। देश में कुल 78 जूट मिल्स हैं। उनमें से 37 रुग्णावस्था में हैं। मंत्री जी ने केवल 460 करोड़ रुपये जूट टेक्नोलॉजी मिशन के लिए मंजूर किए हैं, जो कि पर्याप्त नहीं हैं। देश में जो 37 बीमार मिल्स हैं, उन्हें चलाने के लिए यह धनराशि बहुत कम है। मेरा मंत्री जी से सवाल है कि क्या जो बड़ी पुरानी मिल्स हैं, उन्हें चलाकर करोड़ों कामगारों को जो बेरोजगारी की स्थिति में हैं, रोजगार देने का आप अवसर प्रदान करेंगे?

MR. SPEAKER: Now, Shri Hiten Barman. Please ask only the clarification.

SHRI HITEN BARMAN (COOCH BEHAR): Sir this situation has arisen out of the recent instruction issued by the JCI to stop purchasing raw jute in West Bengal at commercial rate. As per my information, in my Constituency Cooch Behar, the JCI started purchasing raw jute from the local market at commercial rate from 22nd July, 2005. But suddenly, the JCI issued an order on 29th July, 2005 to stop purchasing raw jute at commercial rate.

In this regard I would like to submit that I had raised the matter on 3rd August, 2005 in this very august House during the Zero Hour. Secondly, I had met the hon. Textile Minister on 5th August, 2005 and submitted him a written letter to vacate the order which was issued by the Chairman, JCI[k21].

Sir, first I would like to put this question. Why has the Chairman of JCI, West Bengal, issue that order? Secondly, through you, I would urge the Minister to make immediate arrangements to purchase raw jute from jute growers at commercial rates.

MR. SPEAKER: You are right

.श्री शंकर सिंह वाघेला : अध्यक्ष जी, इन्होंने जेसीआई और एनजेएमसी पर दो प्रश्न इकट्ठे किये हैं। मैं आपका आभारी हूँ कि आपने सही समय पर कालिंग-अटेंशन जूट के बारे में एडमिट करके, सबका ध्यान आकर्षित करने की कोशिश की है। जूट इंडस्ट्री के बारे में, इस एक साल में, जितना काम हुआ है, उतना काम हिंदुस्तान के इतिहास में पहले नहीं हुआ। पहली बार यूपीए सरकार ने जूट पॉलिसी देश के सामने रखी है। सौ प्रतिशत पैकेटिंग आर्डर के बारे में, अभी कैबिनेट में, हमने जो नब्बे और दस वाला मामला था, वह भी हमने सौ-सौ प्रतिशत जूट के बारे में, शुगर और फूडग्रेन्स के बारे में किया है। एमएसपी के ऊपर भाव है। एक जूट और भी हम इश्टेबलिश करने जा रहे हैं। जेसीआई एटोनोमस बॉडी है।

माननीय बर्मन जी, आपने सही फरमाया कि आपकी कांस्टीट्यूएन्सी में 1640 प्रति क्विंटल के हिसाब से जेसीआई ने कुल 2442 क्विंटल का प्रोक्वोरमेंट किया है। बीच में हाई परसेंटेज ऑफ मोश्चराइजेशन हुआ, जैसा आपने भी कहा। पिछली बार हमारे सांसद साहब मिलने के लिए आये थे और उसी दिन मैंने फिर से परचेजिंग करने के लिए आर्डर किया था। एक हफ्ते के गैप की वजह मोश्चराइजेशन का हाई होना था और प्राइस फ्लक्चुएशन भी ज्यादा थी। अभी फिर से खरीदना शुरू हो गया है। हिंदुस्तान में जहां भी जूट उत्पादक हों, जहां भी जेसीआई को परचेज करना है, आप मेहरबानी करके एक फैक्स हमें कर दीजिए। मैं आपको यकीन दिलाता हूं कि 24 घंटे के अंदर एमएसपी पर जेसीआई परचेज करेगी। कमर्शियल भी हमने शुरू किया है जिससे जूट उत्पादक को तकलीफ न हो। इसके लिए भी हमने कमर्शियल ऑपरेशन शुरू कर दिये हैं। फिर भी कोई शिकायत हो तो हमें कहिये। जैसा चटर्जी साहब ने कहा, जब से हम आये हैं जूट के बारे में, वैस्ट बंगाल और बिहार में 6 मिलें चालू हैं। ...
(व्यवधान)

MR. SPEAKER: A very important matter is being discussed. Future of thousands of workers is at stake. Kindly pay some attention. If you are not interested in listening, you please keep quiet.

श्री शंकर सिंह वाघेला : सबको मालूम है कि डायवर्सिफिकेशन के अभाव में देश की एनटीसी मिलें तबाह हो गयीं और कई एनटीसी मिलें बंद हो गयीं। आज भी 128 करोड़ रुपये हम सालाना सैलरी देते हैं। हमने दो मिलों को चालू करने का सोचा है और बाकी की चार मिलों के बारे में हाई-पावर कमेटी बनेगी। इन्होंने भी अपने सुझाव में कहा है कि बाकी को चालू करने का कोई मतलब नहीं है। फिर भी उनके बारे में भी एक्सपर्ट्स के सुझाव आने पर, इनके बारे में भी सोचेंगे। लेकिन अभी दो मिलों को चालू करने का प्रावधान हुआ है।

वीआरएस के बारे में जहां तक सवाल है तो बाकी मिलों के बंद होने पर, लेबर्स के वेजेज के बारे में क्या होगा, एम्प्लाइज का क्या होगा, इस पर सोचना है। साढ़े नौ सौ करोड़ रुपये का वीआरएस कैबिनेट ने पास किया है और वित्त मंत्रालय ने सपोर्ट किया है। वह भी समय आने पर, जो भी वीआरएस लेना चाहेगा, उनको दिया जाएगा।... (व्यवधान)

अध्यक्ष महोदय : आप देख लें, उन्होंने लिखा है।

श्री शंकर सिंह वाघेला : दो मिलों के बारे में हमने कहा है।... (व्यवधान)

श्री रघुनाथ झा (बेतिया) : बिहार के बारे में क्यों नहीं किया... (व्यवधान) बिहार को क्यों छोड़ दिया गया।... (व्यवधान)

श्री राम कृपाल यादव (पटना) : बिहार को क्यों छोड़ दिया गया है... (व्यवधान)

श्री शंकर सिंह वाघेला : बिहार की एक मिल है... (व्यवधान)

MR. SPEAKER: Just a minute Mr. Minister. आप लोग बैठिये। If you had made a request to me, I would have allowed you because it concerns the workers. But all the hon. Members are standing up without giving notices to me[[pkp22](#)].

... (Interruptions)

MR. SPEAKER: I said that I would have allowed you. This is the procedure of raising Calling Attention matters. Only three Members gave notice and all the three Members were given opportunity. You never bothered to even give a notice and you are showing your red eyes to the Chair. This is not proper.

...(व्यवधान)

अध्यक्ष महोदय : यह सही नहीं है। आपने नोटिस देने की भी कोशिश नहीं किया की। You have not even given notice.

श्री रघुनाथ झा : महोदय, हमने नोटिस दिया है, आपसे मिलकर भी कहा है।...(व्यवधान)

श्री शंकर सिंह वाघेला : अध्यक्ष महोदय, मैं आप का बहुत आभारी हूँ।...(व्यवधान)

MR. SPEAKER: The Leader of your Party is here. Let us know if this is being shared by him. If the Leaders of different Parties think that I am deliberately omitting one Party, what can I say, except to reject it with all the contempt it deserves? This is the way the Chair is being treated these days.

...(व्यवधान)

MR. SPEAKER: But they are saying that I am deliberately ignoring one Party. हमने बोला है कि हम एलाउ नहीं करेंगे।

... (Interruptions)

THE MINISTER OF RAILWAYS (SHRI LALU PRASAD): Sorry for that.

... (Interruptions)

MR. SPEAKER: This is not the way. Nobody can compel.

श्री शंकर सिंह वाघेला : अध्यक्ष महोदय, आपने बिल्कुल सही फरमाया, जब वह टेक्सटाइल मिनिस्ट्री बनी, पूरे बंगाल के सभी एमपीज आए ...
(व्यवधान)

MR. SPEAKER: This is the way you are behaving here. Your prestige is being increased by this!

... (Interruptions)

MR. SPEAKER: I would have asked the Minister to respond to you. But you never bothered to ask me.

SHRI SHANKARSINH VAGHELA: I will reply, Sir. महोदय, बंगाल के सभी मेम्बर ऑफ पार्लियामेंट वहां आए। उन्होंने पूरे बंगाल के जूट के बारे में बड़े बाबू के यहां मीटिंग करके विचार किया कि बंगाल के लिए हमें क्या करना है? हमारे पास जो भी प्रपोजल्स आए हैं, हमने उन सभी को साकार करने की कोशिश की है। मैं बिहार के बारे में कहूंगा कि आप मुझे माफ करें, आप में से किसी भी माननीय सदस्य का कोई प्रपोजल आज तक नहीं आया, यदि आया होता, तो हम उसकी डिटेल् में जाते, लेकिन श्री युवराज जी जो कि पूर्व सांसद हैं...(व्यवधान)

MR. SPEAKER: Will you please sit down?

श्री शंकर सिंह वाघेला : महोदय, मैं वही बात करता हूँ, टेक्सटाइल के बारे में, जूट के बारे में, आपके पूरे बिहार के जो भी क्रास सैक्शन पार्टी से आए, इस संबंध में मैं पूर्व सांसद श्री युवराज जी से भी चार-पांच बार मिला। कटिहार की मिल के बारे में उनसे चर्चा की, जो एक प्राइवेट मिल है और बिहार में अच्छी तरह से काम कर रही है। उसमें कोई प्रॉब्लम नहीं है। कटिहार की मिल के बारे में जो भी प्रपोजल्स होंगे, इसके लिए मैं आपसे फिर से प्रार्थना करूंगा, वाणी जी से कहूंगा, उधर के सैक्शन से हैं, रिगार्डिंग जूट इंडस्ट्री कोई भी प्रपोजल हो, अगले सप्ताह किसी भी

दिन गुरुवार को या शुक्रवार को जब भी आपको उचित लगे, आप आइए और आप जो भी प्रपोजल रखेंगे, हम आपको प्रतिदिन रिस्पांस करने की कोशिश करेंगे।... (व्यवधान)

MR. SPEAKER: Mr. Minister, have you finished or do you want to carry on?

श्री शंकर सिंह वाघेला : महोदय, मैं श्री पांडा जी और चटर्जी जी का आभारी हूँ जिन्होंने समय पर हमारा ध्यान आकर्षित किया। पिछले सप्ताह हमने फिर से कामर्शियल आपरेशन्स के लिए आदेश दे दिए हैं। वीआरएस के लिए 950 करोड़ रुपये का पैकेज है। दो मिलों को चालू किया जाएगा। बाकी के प्रपोजल्स पाजीटिव हों, इस हिसाब से टेक्सटाइल मिल्स अपने स्टेप लेकर सामान्य आदमी के लिए जो भी काम करने आ वश्यक होंगे, वे किए जाएंगे ।
